

CLASSIFICATION . **RESTRICTED**

CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM

FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

CD NO.

STAT

COUNTRY China

SUBJECT Economic - Finance

HOW PUBLISHED Daily newspaper

WHERE PUBLISHED Hong Kong

DATE
PUBLISHED 13 May 1949

LANGUAGE Chinese

DATE OF INFORMATION 1949

DATE DIST. 8 Jun 1949

NO. OF PAGES 2

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT OF U. S. C., 51 AND 52, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

SOURCE Wen-hui Pao.

CHENG-TU BARRIER SYSTEM SEVERELY TAXED

Rice has replaced the worthless gold yuan as the medium of exchange in the Chung-tu area of Kwangsi Province. As an example, 1 1/3 pounds of pork is being exchanged for 15 lbs of rice, 1 1/3 pounds of fish or salt for 5 2/3 pounds of rice, one spool of sewing thread or one jar of pomade for 20 pounds of rice, a haircut for four pounds 15 pounds of rice; sewing a garment without pockets or buttonholes for 40 pounds of rice, etc.

Many complaints are being registered, however, by various groups because of the inconveniences of this system. Merchants are finding themselves accumulating great quantities of rice without means of disposing of them. Grain merchants are being run out of business because of the closing of the grain market. Government officials are facing great difficulties in collecting taxes.

To cope with the situation, the Chung-tu Hsien Government issued the following tax rates during the first part of May:

1. Tax of 2 2/3 pounds of grain or 2 pounds of rice for the bartering of 1 1/3 pounds of pork for 13 pounds of rice, and approximately 2 1/3 pounds of grain or 1 2/3 pounds of rice for the bartering of 1 1/3 pounds of beef for 8 2/3 pounds of rice.
2. Vendor's street stall tax: 1 1/3 pounds of grain or rice for displaying Class "A" commodities, and 1 1/3 pounds of grain or 1 pound of rice for displaying Class "B" commodities for sale.
3. Fee for the use of government scales in weighing oil, salt, and rice: 2/3 pound of grain or 1/2 pound of rice when the total weight is between 13 and 53 1/3 pounds, and 1 1/3 pounds of grain or 3/4 pound of rice when the weight is between 53 1/3 and 130 pounds.

- 1 -

CLASSIFICATION

RESTRICTED

[illegible]

RESTRICTED

STAT

4. Highway fee: $66 \frac{2}{3}$ pounds of grain or $47 \frac{1}{3}$ pounds of rice for each trip made by an automobile, and $26 \frac{2}{3}$ pounds of grain or $18 \frac{2}{3}$ pounds of rice for each trip made by a horse-drawn cart.

Since 1 April, moreover, all medical doctors have been requiring their patients to pay them in rice for their services. As an example, $1 \frac{1}{3}$ pounds of rice has been set for the initial examination, $5 \frac{1}{3}$ pounds for calls to the homes, 4 pounds for special examination, $13 \frac{1}{3}$ pounds for delivering a child, etc.

- E N D -

- 2 -

RESTRICTED